

INSS Insight No. 522, February 27, 2014 The New Contacts between Egypt and Russia: How Far Will They Go? Ephraim Kam and Zvi Magen

In recent months there has been a significant, even unprecedented increase in contacts between Russia and the new government in Egypt. In October 2013, the head of Russian military intelligence visited Cairo. In November, Russia's defense minister and foreign minister visited Egypt together, the first time a joint visit of this sort took place since the early 1970s. This month, Abdul Fattah al-Sisi, Egypt's defense minister and the strongman of the regime, visited Moscow with Foreign Minister Nabil al-Fahmy and a high level military delegation. Since this visit, there is talk of a subsequent high level meeting between the sides, to take place in late March, and media reports have speculated that Russia's President Putin will visit Egypt.

The main topic discussed in these talks is increasing bilateral military cooperation. According to many reports, a large arms deal, to the tune of \$2-3 billion, was discussed, and possibly even reached. The deal apparently includes two MiG-29 squadrons, Mi-35 helicopters, air defense systems, coastal anti-ship missiles, and advanced anti-tank weapons; funding would likely come from Saudi Arabia and the United Arab Emirates. While no announcement about the deal was issued at the end of the visit to Moscow by the Egyptian ministers, an agreement, though not yet signed, was reportedly outlined, and may be finalized in another meeting between the two governments in late March.

It has been reported that as part of the Egyptian-Russian cooperation, Egypt will supply Russia with naval services at the port of Alexandria. If the Assad regime falls, this could be a substitute for Russian naval services at the port of Tartus in Syria. The expanded ties could also include cooperation in counterterrorism activity, joint military exercises and technical cooperation, and renovation of the electrical system at the Aswan dam.

The intensity of the talks between Egypt and Russia is undoubtedly linked to the tension in recent months between Egypt and the United States. There is growing anger in Egypt at the Obama administration's public criticism of the overthrow of the Muslim Brotherhood government and the use of force against Muslim Brotherhood activists by INSS Insight No. 522

security forces. The position of the US administration has given Egypt's top leadership the feeling that the administration does not understand Egypt's problems, that it is prepared to support the Muslim Brotherhood regime only because it came to power in democratic elections, and that it is exploiting Cairo's need for US aid in order to intervene in Egypt's internal affairs.

Particularly anger was aroused by the US administration's decision to suspend part of the military aid to Egypt, especially at a time when the government is fighting to stem the wave of terrorist attacks and impose law and order. The administration's decision was a compromise between those, including in Congress, who demanded that military aid to Egypt be suspended, and those who warned against measures that would harm US interests, including the peaceful relations between Egypt and Israel. Thus, the administration decided to freeze \$250 million dollars of the military aid to Egypt, and to delay the planned shipments of several F-16s, Apache helicopters, anti-ship missiles, and spare tank parts, in accordance with a ban on providing aid to a country whose leader was ousted in a military coup.

If the talks between Egypt and Russia lead to a significant arms deal, this would represent an important change in Egyptian policy. In 1974, after Egypt switched from a pro-Soviet orientation to political, military, and economic dependence on the United States, the Soviet Union stopped supplying Egypt with weapons. A decision by the current Egyptian government several months after it came to power to sign a large arms deal with Russia implies that it is prepared to change, even to a limited extent, the balance of its relations with the two large powers and cease its exclusive reliance on the supply of Western weaponry.

From the reports received thus far, Egypt and Russia have likely discussed such a deal – otherwise it would difficult to explain why the defense ministers and military delegations from both countries participated in the talks. It is also clear that Russia is eager to realize this deal, which would be a significant achievement, both because it would bring Russia back into the Egyptian arms market and because it would signal to the Arab states that rely on Western arms that an arms deal with Russia is eminently possible. Therefore, the deal could serve as a lever for a renewed expansion of Russia's influence in the Arab world, as occurred in the mid-1950s.

Beyond Russia's clear interest in expanding defense exports to the Middle East, the leading Russian consideration in renewing the dialogue with Egypt and other countries in the region is political-strategic. With the Arab Spring, Russia, under pressure from the Western-backed Sunni camp, was forced to withdraw from the regional prominence that it had attained with great effort. Other than Iran, Russian influence has been limited to

INSS Insight No. 522

Syria, and therefore Russia has been competing for a significant role in the Middle East. From Russia's perspective, renewing the dialogue with other countries in the region is an especially positive opportunity that should be exploited to shore up its standing in the region and promote its advantages over the West in the global friction. This opportunity was created by the change in policy of a number of countries that feel challenged by US policy. In addition to Egypt, Saudi Arabia, Jordan, and Iraq are engaged in new dialogues with Russia on issues of defense procurement and political cooperation.

The Egyptian regime's position on the deal is less clear and will probably depend on three constraints. The first is that since the 1980s, Egypt has had close military relations with the United States, which include not only an extensive supply of weapons, but also instruction in American combat doctrine, training for Egyptian officers, joint exercises, and personal relations between officers from both militaries. While the Egyptian military still has weapon systems that date from its ties with the Soviet Union, these are at least forty years old and as such obsolete, and the current generation of Egyptian officers has no other connection to the Russian military. Therefore, it would not be simple to reintroduce Russian weapons on a significant scale.

The second constraint is financial. American weapons are supplied to Egypt as part of the aid package. Russia would presumably not supply these weapons as part of an aid package, but Egypt does not have the ability – certainly given its current economic situation – to fund such a deal by itself. It is an open question whether Saudi Arabia and the UAE have an interest in funding the deal.

The third and most important constraint concerns the US, which has yet to comment publicly on the reported deal. However, the administration would likely view such a deal with great dissatisfaction because an unprecedented arms deal with Russia by a major US ally would represent further American weakness in the region and constitute an achievement for Russia. There have reportedly been dozens of telephone calls in recent months between US Secretary of Defense Chuck Hagel and his Egyptian counterpart, and Secretary of State Kerry visited Cairo in November 2013. The United States has presumably pressured Egypt not to sign the deal. Egypt, therefore, must take into account that signing the deal would incur a negative response from the United States and damage the bilateral relations, including the significant economic and military assistance.

It is still not clear whether a deal will be concluded. Egypt may be deterred from signing it because of these constraints, or it might limit it to an insignificant deal and make do with expressing dissatisfaction with the US administration's posture toward it in recent months. But even if the Egyptian regime does sign the deal, it will presumably continue to view the United States as its main strategic partner in the region, with no substitute available. Thus, it will likely seek to expand its ability to maneuver vis-à-vis the United States and make it clear that it is not prepared to accept American intervention in Egypt's internal affairs.

